

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Establish
Policies and Cost recovery Mechanism for
Generation Procurement and Renewable
Resource Development.

Rulemaking 01-10-024
(Filed October 25, 2001)

**ADMINISTRATIVE LAW JUDGE'S RULING
EXTENDING TIME FOR COMMENTS AND REPLY COMMENTS
ON THE PROPOSED OPERATING AGREEMENTS
AND REASONABLENESS REVIEW STANDARDS**

In Decision (D.) 02-09-053, the Commission ordered Pacific Gas and Electric Company (PG&E), San Diego Gas & Electric Company (SDG&E), and Southern California Edison Company (SCE) to assume on January 1, 2003, all of the operational, dispatch and administrative functions for the power purchase contracts that the Department of Water Resources (DWR) had entered into. The decision also allocated the DWR contracts to the resource portfolios of these three electric utilities.

D.02-09-053 also directed the utilities and DWR to jointly file proposed operating agreements and proposed standards for reasonableness review. The decision also stated that if there remained specific issues where agreement could not be reached, the utilities and DWR shall highlight those differences in a companion comparison exhibit. (D.02-09-053, p. 71.) The proposed operating agreements and reasonableness review standards were to be filed by October 1, 2002. Comments on the proposed operating agreements and reasonableness

review standards are due by October 11, 2002 and replies are due by October 16, 2002.

PG&E, SCE, and SDG&E each requested an extension of time to file the documents pursuant to Rule 48(b) of the Commission's Rules of Practice and Procedure. The Commission's Executive Director, in a letter dated September 27, 2002, granted a one-week extension, to October 8, 2002, for filing the documents.

On October 8, 2002, DWR transmitted to the service list a memorandum from Peter Garris of DWR in response to D.02-09-053, along with a Proposed Initial Draft of the Operating Agreement. The utilities' compliance filings each included comments or statements on the Initial Draft Operating Agreement (PG&E filed a Statement of PG&E regarding Draft DWR Operating Agreement) and proposed reasonableness standards for utility administration of allocated DWR contracts. No party filed a comparison exhibit.

Due to the one-week extension granted by the Executive Director, the time for submitting opening and reply comments on the proposed operating agreements and reasonableness review standards, should be extended by one week as well. Therefore, comments on the proposed operating agreements filed by DWR and SDG&E and statements filed by SCE and PG&E, as well as proposed reasonableness standards filed by PG&E, SDG&E, and SCE shall be due by October 18, 2002, and the reply comments shall be due by October 23, 2002. Parties should identify in their comments any specific issues or areas of disagreement that must be resolved by this Commission prior to January 1, 2003.

IT IS RULED that due to the one-week extension granted in the Executive Director's letter of September 27, 2002, interested parties may submit comments on the proposed operating agreements and proposed standards for

reasonableness review, and reply comments, by October 18, 2002 and October 23, 2002, respectively.

Dated October 11, 2002, at San Francisco, California.

/s/ ANGELA MINKIN for

Meg Gottstein
Administrative Law Judge

CERTIFICATE OF SERVICE

I certify that I have by mail, and by electronic mail, to the parties to which an electronic mail address has been provided, this day served a true copy of the original attached Administrative Law Judge's Ruling Extending Time for Comments and Reply Comments on the Proposed Operating Agreements and Reasonableness Review Standards on all parties of record in this proceeding or their attorneys of record.

Dated October 11, 2002, at San Francisco, California.

/s/ TERESITA C. GALLARDO

Teresita C. Gallardo

N O T I C E

Parties should notify the Process Office, Public Utilities Commission, 505 Van Ness Avenue, Room 2000, San Francisco, CA 94102, of any change of address to insure that they continue to receive documents. You must indicate the proceeding number on the service list on which your name appears.

The Commission's policy is to schedule hearings (meetings, workshops, etc.) in locations that are accessible to people with disabilities. To verify that a particular location is accessible, call: Calendar Clerk (415) 703-1203.

If specialized accommodations for the disabled are needed, e.g., sign language interpreters, those making the arrangements must call the Public Advisor at (415) 703-2074,

R.01-10-024 MEG/tcg

TTY 1-866-836-7825 or (415) 703-5282 at least three working days in advance of the event.